

9/3/20 6:32 pm

CLERK

U.S. BANKRUPTCY

COURT - WDP

In re: : Case No.: 19-24274-GLT
 : Chapter: 11
 Kristal C. Owens :
 :
 :
 : Date: 9/3/2020
 Debtor(s). : Time: 11:00

PROCEEDING MEMO

MATTER: # 87 - Continued Order to Show Cause

152 - Con't Confirmation of Chapter 11 Plan of Reorganization Plan Dated May 14, 2020

231 - Status Report

APPEARANCES:

Debtor: Donald Calaiaro
 IRS: Jill Locknikar
 Bayview: Sarah McCaffery

NOTES: (11:02)

Calaiaro: The only outstanding issues are 1. the sale is proceeding to closing; and 2. the confirmation of tax payments.

Court: The sale hasn't occurred yet?

Calaiaro: No. We filed the tax returns and I've asked my client how she's paying the taxes. She sent a check to my office made payable to the IRS. I have not received it yet. I would ask the Court to confirm the plan once I certify the IRS has been paid.

Court: She's paying the liability in full with this check?

Calaiaro: She's paying the liability that's on the face of the return. She's filed the return, but it may change once it's processed with interest and penalties. It was in the area of \$7,000-\$8,000.

Court: Any comments from the IRS?

Locknikar: No.

Court: If the sale is proceeding apace, what else needs to be done?

Calaiaro: There was a dye test ordered. We were hoping to have a confirmed plan so the transfer stamp issue could be resolved, and then we can move towards closing.

Court: Attny McCaffery?

McCaffery: I'm just here to observe as our objection was resolved.

Calaiaro: Attny Ebeck and I talked about our issues, so we've withdrawn all the punitive language regarding the bank. They know they won't get any payments and the debtor will try to sell the property. They may or may not foreclose at their option.

Court: Because everything seems to be buttoned up - do you have a proposed form of order yet?

Calaiaro: I didn't submit one since the taxes weren't paid - I thought I'd file one once the taxes were paid.

Court: If there's nothing further, it seems like we've gotten to the doorstep of plan confirmation. At this point I am prepared to conditionally grant confirmation on the caveat that income taxes must be paid. If you would like to circulate a proposed form of order. I am also concerned about the timing of final decrees, going forward I won't enter a final decree until at least the first payment has been made. to unsecured creditors. In this situation, since it's going to be a monthly payment to you and then a quarterly distribution from you to creditors, please keep that in mind. If there's nothing further I will wait the certifications.

OUTCOME:

2. Debtor's Chapter 11 Plan of Reorganization Plan Dated May 14, 2020 [Dkt. No. 192] is CONDITIONALLY CONFIRMED. On or before September 11, 2020, the Debtor shall submit a proposed written confirmation order under a Certification of Counsel. [Text Order to Issue]

3. On or before September 11, 2020, Debtor's counsel shall file a written certification detailing the extent to which the Debtor's 2019 federal income tax liability has been paid and/or satisfied. [Text Order to Issue]

4. Upon entry of a confirmation order, a chapter 11 post-confirmation order shall issue [HT to Issue]

DATED: 9/3/2020